

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

In re:)	
)	Case No. 3:19-bk-1971
CAPSTONE PEDIATRICS, PLLC,)	
)	Chapter 11
Debtor.)	
)	
)	
)	
CDS BUSINESS SERVICES, INC. d/b/a)	
NEWTEK BUSINESS CREDIT.)	
)	
Plaintiff,)	
)	
v.)	Adv. Proc. No. 3:20-ap-90140
)	
)	
AMERICA CARES TRUST d/b/a)	
CARENATION)	
)	
Defendant.)	

U.S. TRUSTEE’S STATEMENT IN SUPPORT OF CDS’S EXPEDITED MOTION FOR
PRELIMINARY INJUNCTION

The Acting U.S. Trustee supports CDS’s request for preliminary injunctive relief. The U.S. Trustee monitors bank accounts to ensure that the account is collateralized, to measure disbursements for determining quarterly fees and to ensure compliance with the Bankruptcy Code. As these accounts remain debtor in possession accounts, Bank of America contacted our office to increase the amount of assets pledged for collateralization. The U.S. Trustee will also be reviewing these bank statements to determine the amount of quarterly fees because Debtor has not filed monthly operating reports to date. At this point, it appears that fees would not be accurate since CareNation is using Debtor’s accounts for its business. The sale agreement excluded accounts receivable from the sale, which were

in part supposed to be used to pay quarterly fees. Regardless of whether any funds in the account on the sale date belong to Debtor or CareNation or who owns the accounts receivable, Care Nation must reopen accounts in its own name to insure proper record keeping.

Respectfully submitted,
PAUL RANDOLPH,
ACTING US TRUSTEE, REGION 8

/s/ Megan Seliber
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CERTIFICATE OF SERVICE

I certify that on September 15 2020, a copy of the foregoing document was sent electronically to registered ECF users.

/s/ Megan Seliber
Megan Seliber